

The actions delineated below were taken in open session of the Kentucky Agricultural Development Board at the May 20, 2011 regular board meeting. This is provided in summary form; an official record of the meeting is available in the permanent records of the Governor's Office of Agricultural Policy (GOAP), 404 Ann Street, Frankfort, KY 40601

**Kentucky Agricultural Development Board
Summary Minutes of the Business Meeting
University of Kentucky Coldstream Research
Campus Veterinary Diagnostic Lab
Lexington, KY
May 20, 2011**

Call to Order

Mac Stone, designee for Commissioner Farmer, presiding, called the Kentucky Agricultural Development Board meeting to order at 1:15 p.m. (EDT).

Roll Call

The following members were present: Mac Stone; Karen Curtis; Rodney Dick; Don Goodin (designee for Secretary Larry Hayes); Pat Henderson; Wayne Hunt; Sam Lawson; Jim Mahan; Wayne Mattingly; Sam Moore; Troy Rankin; Dr. Kimberly Holmes (designee for President Mary Sias); Jim Sidebottom; Dean Scott Smith; Vickie Yates-Brown.

Notification of Media

Mr. Stone received verification that the media had been notified of the Kentucky Agricultural Development Board (KADB) monthly meeting.

Welcome

Mr. Stone welcomed everyone to the meeting and gave an update on the Kentucky Department of Agriculture (KDA) events and activities.

Approval of Minutes

Dean Scott Smith moved to approve the minutes of the April 15, 2011 meeting as presented; Jim Mahan seconded the motion.

Vote: Motion Passed; Unanimous.

Executive Director's Report

Mr. Stone called on Roger Thomas to give the Executive Director's Report.

Dean Smith welcomed the board, staff and guests and thanked everyone for attending the ribbon cutting ceremony for the University of Kentucky Veterinary Diagnostic Lab.

Mr. Thomas welcomed the board and guests and recognized Adrian Arnold and Representative John Tilley.

Mr. Thomas asked board members to fill out the memo regarding room reservations for the July board meeting scheduled for July 22, 2011 in Hopkinsville and return them to Amanda Kachler.

Mr. Thomas reported on meetings and events staff in the Governor's Office of Agricultural Policy (GOAP) had attended since the April 15, 2011 KADB meeting.

Pat Henderson left the meeting at 1:23 p.m. (EDT) due to prior a commitment.

Mr. Thomas called on Bill McCloskey to report on the financial position of the Kentucky Agricultural Finance Corporation (KAFC) as of April 30, 2011.
Rodney Dick moved to accept the regular KAFC monthly report; Jim Sidebottom seconded that motion.

Vote: Motion Passed; Unanimous.

Committee Reports

Committee representatives Wayne Hunt, Sam Lawson and Mr. Dick spoke on behalf of their committees regarding the discussion in the committee meetings held earlier in the day.

New Project Applications for Referral

Mr. Stone referenced the following applications for referral:
A2011-0046 McLean County Farm Bureau of McLean County, Kentucky
A2011-0048 Kentucky Beef Network, LLC
A2011-0051 New Pioneers for a Sustainable Future, Inc.
A2011-0056 KABA/Select Sires, Inc.

Sam Moore moved to refer the submitted applications; Mr. Dick seconded the motion.

Vote: Motion Passed; Unanimous.

Program Recommendations

Mr. Stone referenced for the Board's consideration thirteen (13) County Agricultural Investment Program (CAIP) applications requesting county funds totaling \$1,372,112. **Troy Rankin moved for the approval of the submitted program recommendations as presented; Mr. Sidebottom seconded the motion.**

Vote: Motion Passed; Unanimous

Other Programs Recommended for Approval

Deceased Farm Animal Disposal Assistance Program

Mr. Stone referenced for the Board's consideration one (1) Deceased Farm Animal Disposal Assistance Program (DFADAP) application requesting county funds totaling \$7,500 that meet program guidelines and compliance standards. **Mr. Moore moved for approval of the submitted DFADAP application as presented; Dr. Kimberly Holmes seconded the motion.**

Vote: Motion Passed; Unanimous

Shared-Use Equipment Program

Mr. Stone referenced for the Board's consideration one (1) Shared-use Equipment Program application requesting county funds totaling \$20,250 that meet program guidelines and compliance standards. **Mr. Dick moved for approval of the submitted Shared-use application as presented; Mr. Goodin seconded the motion.**

Vote: Motion Passed; Unanimous

Program Amendments

Mr. Stone referenced for the Board's consideration six (6) County Agricultural Investment Program (CAIP) amendments requesting county funds totaling \$621,236. **Dr. Kimberly Holmes moved for the approval of the submitted amendments as presented; Mr. Dick seconded the motion.**

Vote: Motion Passed; Unanimous.

Memo Action Items

Joel Neaveill presented a memorandum regarding A2010-0112 Kentucky Department of Agriculture (KDA). KDA is requesting the reallocation of funding previously approved at the November 2010 KADB meeting for the "Retail Liaison" budget item.

Wayne Mattingly moved to approve the committee recommendation; Sam Lawson seconded the motion.

Vote: Motion Passed; Unanimous.

Christi Marksbury presented a memorandum regarding A2010-0043 East Buck Creek Watershed Conservancy District. The East Buck Creek Watershed Conservancy District was approved for \$10,000 in McLean County funds at the August 20, 2010 KADB meeting to remove sediment and debris from the East Buck Creek Watershed. Work has begun on the project. Due to weather conditions over the winter months and floods this spring,

work has not progressed as the applicant had hoped it would. Since it will be some time before the project can be completed, the applicant is requesting to add an additional \$5,000 to the project to complete more cleanup than originally anticipated in the East Buck Creek Watershed. The Application Review Committee recommends funding the additional \$5,000 in McLean County funds to the East Buck Creek Watershed Conservancy to complete the project. This request comes with a high priority from the McLean County Agricultural Development Council.

Mr. Mahan moved to approve the committee recommendation; Mr. Goodin seconded the motion.

Vote: Motion Passed; Unanimous.

Recommendations for Funding

Mr. McCloskey presented A2010-0154 Marion County Industrial Foundation, Inc. The Marion County Industrial Foundation, Inc. is requesting \$20,000 in Marion County funds and \$9,200 in State funds to conduct a dairy value-added feasibility and market study. The Application Review Committee recommends funding the \$20,000 in Marion County funds and \$3,000 in Adair County funds but no State funds.

Mr. Dick moved to approve the committee recommendation; Mr. Rankin seconded the motion.

Vote: Motion Passed; Unanimous.

Ms. Marksburly presented A2011-0028 Hopkinsville Elevator Co., Inc. (HEC). Hopkinsville Elevator Co., Inc. is requesting \$55,000 in State funds and \$172,000 in county funds (Allen \$5,000, Barren- \$25,000, Christian- \$35,000, Edmonson- \$2,000, Logan- \$35,000, Muhlenberg- \$5,000, Simpson - \$5,000, Todd \$35,000, Trigg - \$10,000, and Warren- \$15,000) to purchase a grain cleaning system. The Application Review Committee recommends funding this request for \$184,000 in county funds and \$55,000 in state funds as a 1% interest loan.

Mr. Mattingly moved to approve \$184,000 in County funds and allow the applicant until September 1, 2011 to obtain additional county commitments. In addition, up to \$55,000 in State funds will be approved to pay up to two months of current loan payments. Dean Smith seconded the motion.

After much discussion question was called by Mr. Mahan.

Vote: Motion Passed; Mr. Hunt abstained.

Mr. McCloskey presented A2011-0039 Shelby Area Rural Conservation, Inc. The Shelby Area Rural Conservation, Inc. is requesting \$6,878 in Shelby County funds to hire the Matrix group to explore opportunities to preserve and protect rural land by acquiring and maintaining agricultural conservation easements. The Application Review Committee recommends funding at a reduced amount of \$3,878 in Shelby County funds.

Prior to the May 20, 2011 KADB Meeting, Recipient provided proof of additional match and after discussion, the funding recommendation was increased to \$5,378 in Shelby County funds.

Mr. Mahan moved to approve the revised committee recommendation; Mr. Rankin seconded the motion.

Vote: Motion Passed; Unanimous.

Recommendations for No-Funding

Ms. Marksbury presented A2011-0052 Green River Area Beef Improvement Group, Inc. The Green River Area Beef Improvement Group, Inc. is requesting \$120,000 in Muhlenberg County funds to administer the County Agricultural Investment Program (C.A.I.P.) in Muhlenberg County. The Application Review Committee recommends no funding this application due to a low priority from the Muhlenberg County Agricultural Development Council.

Mr. Moore moved to approve the committee recommendation; Dean Smith seconded the motion.

Vote: Motion Passed; Unanimous.

Recommendations for Pending

The following applications were presented, but no action was taken:

A2011-0029 South East Bio-Fuels L.L.C.

A2011-0030 Bracken County Agricultural Advancement Council, Inc.

A2011-0033 Tim and Wanda Quiggins

Closing Remarks

The next Application Review Committee meeting will take place at the Warren County Extension Office at 9:00 a.m. (CDT). The next meeting of the KADB will convene on June 17, 2011 at 1:00 p.m. (EDT). Recipient Review Committees for the Kentucky Department of Agriculture and the Kentucky Dairy Development Council will meet following the June KADB meeting.

Mr. Mahan moved to adjourn; Mr. Lawson seconded the motion.

Vote: Motion Passed; Unanimous.

The meeting adjourned at 2:45 (EDT)

Presiding Officer: Mac Stone

Secretary: Amadee Gadee

Appendix A: New Applications for Referral

App #	Applicant	Request Type	Submitted
A2011-0046	McLean County Farm Bureau of McLean County, Kentucky	Project	4/25/2011
A2011-0048	Kentucky Beef Network, LLC	Project	4/29/2011
A2011-0051	New Pioneers for a Sustainable Future, Inc.	Project	4/29/2011
A2011-0056	KABA/Select Sires, Inc.	Project	4/29/2011

Appendix B: Program Lists

CAIP

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2011-0036	Clinton/Cumberland Cattlemen's Assoc., Inc.	Cumberland	\$105,000.00
A2011-0041	Green River Area Beef Improvement Group, Inc.	McLean	\$67,994.00
A2011-0042	Green River Area Beef Improvement Group, Inc.	Daviess	\$100,000.00
A2011-0043	Hancock County Conservation District	Hancock	\$113,928.00
A2011-0044	Meade County Cattlemen's Association, Inc.	Meade	\$70,000.00
A2011-0045	Green River Area Beef Improvement Group, Inc.	Henderson	\$27,503.00
A2011-0047	Trimble County Cattleman's Association, Inc.	Trimble	\$188,464.00
A2011-0049	Morgan County Fiscal Court	Morgan	\$161,391.00
A2011-0050	Johnson County Agricultural Advancement Council, Inc	Johnson	\$70,000.00
A2011-0053	Muhlenberg County Cattlemen's Association, Inc	Muhlenberg	\$98,691.00
A2011-0054	Logan County Cattlemen Association Incorporated	Logan	\$121,247.00
A2011-0057	Oldham County Farm Bureau of Oldham County, Kentucky	Oldham	\$45,300.00
A2011-0058	Marion County Extension District Building Foundation, Inc.	Marion	\$202,594.00
			\$1,372,112.00

Deceased Farm Animal Disposal Assistance Program

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2011-0055	Logan County Fiscal Court	Logan	\$7,500.00
			\$7,500.00

Shared-use Equipment

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2011-0040	Boyle County Cattlemen's Association, Incorporated	Boyle	\$20,250.00
			\$20,250.00

Total County Funds Recommended for Approval in Programs: **\$1,399,862.00**

Appendix C: Requested Program Amendments

App # A2010-0107
Applicant Name Clark County Conservation District
Original Amount Approved \$250,000.00
Original Approval Date 8/20/10
Requested Change The applicant requests an additional \$40,000.00 for the CAIP. The request received a high priority from the Clark County Council. The term of the program shall remain 12-months from the execution date of the original agreement. Approval of this request would bring the program total to \$290,000.00.
Recommendation Approval

App # A2010-0110
Applicant Name Lewis County Conservation District
Original Amount Approved \$300,000.00
Original Approval Date 8/20/10
Requested Change The applicant requests an additional \$8,000.00 for the CAIP. The request received a high priority from the Lewis County Council. The term of the program shall remain 12-months from the execution date of the original agreement. Approval of this request would bring the program total to \$308,000.00.
Recommendation Approval

App # A2010-0169
Applicant Name Barren County Conservation District Board
Original Amount Approved \$325,000.00
Original Approval Date 11/19/10
Requested Change The applicant requests an additional \$40,000.00 for the CAIP. The request received a high priority from the Barren County Council. The term of the program shall remain 12-months from the execution date of the original agreement. Approval of this request would bring the program total to \$365,000.00.
Recommendation Approval

Appendix C: Requested Program Amendments

App # A2011-0005
Applicant Name Rockcastle County Conservation District
Original Amount Approved \$122,000.00
Original Approval Date 1/14/11
Requested Change The applicant requests an additional \$145,787.00 for the CAIP. The request received a high priority from the Rockcastle County Council. The term of the program shall remain 12-months from the execution date of the original agreement. Approval of this request would bring the program total to \$267,787.00.
Recommendation Approval

App # A2011-0008
Applicant Name Breckinridge County Conservation District
Original Amount Approved \$180,000.00
Original Approval Date 1/14/11
Requested Change The applicant requests an additional \$87,355.00 for the CAIP. The request received a high priority from the Breckinridge County Council. The term of the program shall remain 12-months from the execution date of the original agreement. Approval of this request would bring the program total to \$267,355.00.
Recommendation Approval

App # A2011-0026
Applicant Name Henry County Cattlemen's Association, Inc.
Original Amount Approved \$20,000.00
Original Approval Date 3/18/11
Requested Change The applicant requests an additional \$300,094.00 for the CAIP. The request received a high priority from the Henry County Council. The term of the program shall remain 12-months from the execution date of the original agreement. Approval of this request would bring the program total to \$320,094.00.
Recommendation Approval
